

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF INDIANA
NEW ALBANY DIVISION

IN RE:)	CASE NO. 10-93904-BHL-11
)	
EASTERN LIVESTOCK CO., LLC,)	Hon. Basil H. Lorch, III
)	
Debtor.)	
)	

**OBJECTION TO THE TRUSTEE’S MOTION TO COMPROMISE
& SETTLE UNDER FED.R.BANKR.P. 9019**

COME NOW Ashville Stockyard, Inc.; Alabama Livestock Auction, Inc. (consolidated with Sealy And Sons Livestock, LLP); Billingsley Auction Sale, Inc.; Macon Stockyard, Inc.; Edwin A. Strickland d/b/a Strickland Farms; Glen Franklin; CPC Livestock, LLC; Athens Stockyard, LLC; Brent Kuehny d/b/a Dollar K Cattle; and Phillip Taylor Reed; (collectively “Livestock Creditors”) by and through undersigned counsel, and submits this *Objection To The Trustee’s Motion To Compromise & Settle Under Fed.R.Bankr.P. 9019* (“Trustee’s Motion”) [Doc. 2874] and state as follows:

Livestock Creditor Claims

1. Livestock Creditors file the objections herein in an abundance of caution as the claims asserted differ, and in some cases substantially, from those listed Exhibit 1 to the Trustee’s Motion. Livestock Creditors have entered into the various agreements with counsel for the Trustee and the U.S. Attorney that resolve these differences but these agreements have not been finalized. However, subject to certain considerations, the respective amounts have been agreed to for inclusion in the Civil Forfeiture Claims for each of the Livestock Creditors with counsel for the Trustee and the U.S. Attorney. The agreed amounts are as follows:

Claim No.	Creditor	Civil Forfeiture Amd. Net Loss CLAIMS	MOTION EXHIBIT 1 AMOUNT	DIFFERENCE Amd. Claims vs. EXHIBIT 1	Agreed Net Loss CLAIMS
547	Alabama Livestock & Sealy	\$131,396.08	\$0.00	\$131,396.08	\$131,396.08
511	Ashville Stockyard, Inc.	\$41,700.93	\$0.00	\$41,700.93	\$41,700.93
	Billingsley Auction Sale, Inc.	\$42,319.78	\$0.00	\$42,319.78	\$42,319.78
	Macon Stockyards, Inc.	\$38,699.93	\$0.00	\$38,699.93	\$38,699.93
	Edwin A. Strickland	\$52,683.52	\$0.00	\$52,683.52	\$52,683.52
353	Glen Franklin	\$339,942.48	\$249,107.75	\$90,834.73	\$339,942.48
197	CPC Livestock, LLC	\$461,157.50	\$462,200.44	(\$1,042.94)	\$461,157.50
55	Athens Stockyard, LLC	\$514,789.22	\$515,841.93	(\$1,052.71)	\$514,789.22
480,79	Kuehny d/b/a Dollar K Cattle	\$110,984.61	\$111,281.17	(\$296.56)	\$110,984.61
21	P. Taylor Reed	\$280,267.76	\$280,894.15	(\$626.39)	\$280,267.76
TOTAL		2,013,941.81	1,619,325.44	\$394,616.37	2,013,941.81

Table 1

2. The agreed amounts for each Livestock Creditor include adjustments for any and all recoveries, settlements, payments made and distributions received since the losses associated with the Eastern Livestock dishonored checks and non-payments for cattle occurred during the late October and early November 2010. The amounts above include credits for settlement with the Trustee for the Adversary Proceedings where appropriate. See par. ____, Infra.

3. The Livestock Creditor initial losses and recovery breakdown as follows:

Creditor	ELC Dishonored Check Amts.	ELC Non-Payment For Cattle	TOTAL INITIAL CLAIM AMTS.	Net Cash & Cattle & Exp. Recovery	TOTAL NET INITIAL CLAIMS
Alabama	\$272,936.91	\$12,243.80	\$285,180.71	(\$129,530.49)	\$155,650.22
Ashville	\$163,885.80	0.00	\$163,885.80	(\$133,625.65)	\$30,260.15
Billingsley	\$119,431.18	0.00	\$119,431.18	(\$81,242.85)	\$38,188.33
Macon	\$113,060.12	0.00	\$113,060.12	(\$79,509.42)	\$33,550.70
Strickland	\$155,790.23	0.00	\$155,790.23	(\$0.00)	\$155,790.23
Franklin	\$501,030.00	0.00	\$501,030.00	(\$53,998.13)	\$447,031.87
CPC Livestock	\$625,693.13	\$301,664.53	\$927,357.66	(\$296,312.59)	\$631,045.07
Athens Stockyard	\$423,258.69	\$256,813.92	\$680,072.61	(\$0.00)	\$680,072.61
Kuehny	\$158,636.31	0.00	\$158,636.31	(\$0.00)	\$158,636.31
Taylor Reed	\$577,742.25	0.00	\$577,742.25	(186,586.85)	\$391,155.40
TOTAL	\$3,111,464.62	\$570,722.25	1,761,808.79	(\$960,805.98)	\$2,721,380.89

Table 2

4. Each receipt and collection of or payment for cattle incurred by the Livestock Creditors is included in the Table 2 calculation. Further, during the course of the bankruptcy, the

Livestock Creditors were able to collect from the Eastern PSA Bond and entered into various settlement agreements with PSA, the Trustee, and certain litigation defendants. These amounts are included as “Other Recovery & Charges” in Table 3 below.

Creditor	TOTAL NET INITIAL CLAIMS	Total Other Recovery & Charges	TOTAL Net Loss CLAIMS	Pending AP Trustee Settlement	CLAIM AMT. W/O Pending CLAIM CREDIT
Alabama	\$155,650.22	(\$24,254.14)	\$131,396.08	(\$20,000.00)	\$111,544.00
Ashville	\$30,260.15	\$11,440.78	\$41,700.93	(\$20,000.00)	\$21,756.64
Billingsley	\$38,188.33	\$4,131.45	\$42,319.78	(\$20,000.00)	\$22,377.79
Macon	\$33,550.70	\$5,149.23	\$38,699.93	(\$20,000.00)	\$18,754.23
Strickland	\$155,790.23	(\$103,106.71)	\$52,683.52	0.00	\$52,753.87
Franklin	\$447,031.87	(\$107,089.39)	\$339,942.48	0.00	\$340,327.16
CPC Livestock	\$631,045.07	(\$169,887.57)	\$461,157.50	0.00	\$461,678.97
Athens Stockyard	\$680,072.61	(\$165,283.39)	\$514,789.22	0.00	\$515,334.60
Kuehny	\$158,636.31	(\$47,651.70)	\$110,984.61	0.00	\$111,133.24
Taylor Reed	\$391,155.40	(\$110,887.64)	\$280,267.76	0.00	\$280,580.95
TOTAL	\$2,721,380.89	(\$707,439.08)	2,013,941.81	(\$80,000.00)	\$1,936,241.45

Table 3

5. Finally, the claims for Alabama, Ashville, Billingsley, and Macon have been adjusted for the “Pending” Settlement in their Adversary Proceedings. This includes payments of \$20,000.00 each for Alabama, Ashville, Billingsley, Macon upon approval of the Settlement terms.

6. As noted, this Objection is filed in an abundance of caution. The complete claims documentation for the six (6) claims of Alabama, Ashville, Billingsley, Macon, Strickland, and Franklin where there is a substantial difference between the claim and Exhibit 1 to the Trustee Motion are attached as Exhibits hereto.

Claim Calculations

7. As should be evident, the Livestock Creditors have gone to considerable efforts to fully account for and include in the claim calculations all of the losses, expenditures, and recoveries. The Livestock Creditors request that in this instance all of the claims in the Civil Forfeiture proceeding be treated in a similar manner.

Respectfully submitted this 22nd day of April 2016,

W. SCOTT NEWBERN, PL

/s/ Walter Scott Newbern

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CERTIFICATE OF SERVICE

I hereby certify that on this 22nd day of April 2016, a copy of the foregoing was filed electronically. Notice of this filing will be sent to all parties through the Court's Electronic Case Filing System. Parties may access this filing through the Court's system.

/s/ W. Scott Newbern

W. SCOTT NEWBERN